

CURTIS, MALLETT-Prevost, COLT & MOSLE LLP

FRANKFURT MILAN
 HOUSTON MUSCAT
 ISTANBUL PARIS
 LONDON STAMFORD
 MEXICO CITY WASHINGTON, D.C.

ATTORNEYS AND COUNSELLORS AT LAW
 101 PARK AVENUE
 NEW YORK, NEW YORK 10178-0061

TELEPHONE 212-696-6000
 FACSIMILE 212-697-1559
 E-MAIL INFO@CURTIS.COM
 INTERNET WWW.CURTIS.COM

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WRITER'S DIRECT:
 TEL.: 212-696-6192
 E-MAIL ELAUER@CURTIS.COM
 FACSIMILE 212-697-1559

MEMO ENDORSED

BY HAND

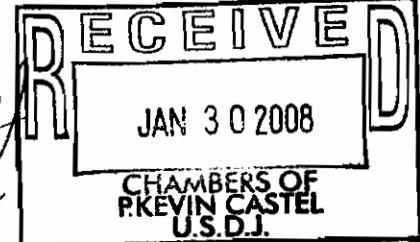
Hon. P. Kevin Castel, U.S.D.J.
 Daniel Patrick Moynihan
 United States Courthouse
 500 Pearl St., Room 2260
 New York, NY 10007

Re: In re Tarragon Corporation Securities Litigation, Case No. 07 Civ 7972 (PKC)

Dear Judge Castel:

Feb 8
 conference
 adjourned to
 June 13, 2008
 at 9:30 a.m.
 SO ORDERED
 SJD
 2/4/08

January 30, 2008



This firm represents defendants Tarragon Corporation ("Tarragon"), William S. Friedman, Robert P. Rothenberg, Erin Davis Pickens, and Beachwold, L.P. (collectively, "the Tarragon Defendants") in the above-referenced action.

With the consent of Plaintiff's counsel, we write pursuant to Rule 1.E. of your Honor's Individual Rules of Practice to request that the Initial Pretrial Conference currently scheduled for February 8, 2008 be postponed. This is the Tarragon Defendants' second request to adjourn the Initial Pretrial Conference. The Court granted our first such request on November 9, 2007.

This putative securities class action alleges violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. The Amended Class Action Complaint, filed on January 18, 2008, asserts claims against the Tarragon Defendants, as well as Grant Thornton LLP (Tarragon's outside auditor).¹ The Tarragon Defendants intend to move to dismiss the complaint. Pursuant to a Stipulation and Order entered by the Court on November 15, 2007, the Tarragon Defendants' motion to dismiss is not due until March 3, 2008, after which Lead Plaintiff will have until April 17, 2008 to file an opposition to the motion. Pursuant to the

¹ Lead Plaintiff's initial complaint did not name Grant Thornton LLP as a defendant and, as of the date of this letter, Grant Thornton LLP has not yet been served with the amended complaint.

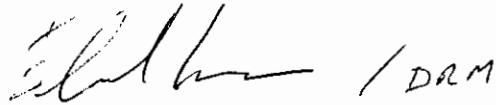
Court's November 15, 2007 Order, the Tarragon Defendants will then have until May 19, 2008 to file reply papers.

Under the Private Securities Litigation Reform Act, discovery will be stayed during the pendency of the motion to dismiss. See 15 U.S.C. §78u-4(b)(3). Because discovery will be stayed during the pendency of the motion, we believe that having the Initial Pretrial Conference and drafting a Case Management Plan would be premature at this point.

We also believe that adjourning the Initial Pretrial Conference makes sense in light of the fact that defendant Grant Thornton LLP has not yet been served with the complaint.

We have conferred with Lead Plaintiff's counsel and they do not oppose postponing the February 8th conference.

Respectfully,

A handwritten signature in black ink, appearing to read "Eliot Lauer" followed by "DRM" in a smaller script.

Eliot Lauer

cc: Jeffrey Abraham, Esq. (via email)